APPENDIX "A"

IN THE UNITED STATES DISTRICT COURT
FOR THE
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

WILLIAM RICE LUMMIS, AND ANNETTE GANO LUMIS, Texas Temporary Co-Administrators of the Estate of Howard R. Hughes, Jr., Deceased,	Civil Action File No. A-78-CA-148
Plaintiffs,	
v.	AFFIDAVIT OF JOHN A. WOODWARD, III, IN SUPPORT OF MOTION FOR CHANGE OF VENUE
JOHN HILL, BOB BULLOCK, EVELLE J. YOUNGER, KENNETH CORY, H.B. ALVORD, WILLIAM RICE LUMMIS, FIRST NAT'L BANK OF NEVADA and RICHARD GANO,	
Defendants.	

I, John A. Woodward, III, being first duly sworn, depose and say:

1. I am, and since May, 1968 have been, a duly appointed Inheritance Tax Referee of the State of California. I have personal knowledge of the facts stated herein and could competently testify thereto if called upon to do so as a witness, except as hereafter indicated.

2. On September 15, 1976, pursuant to the provisions of Calif. Rev. & Tax Code § 14501 and Calif. Probate Code § 605, I was appointed by the Superior Court of the State of California for the County of Los Angeles to appraise the estate of Howard R. Hughes, Jr., the probate of which is pending in said Court as No. P 621 359. Pursuant to Calif. Rev. & Tax Code § 14501, I was charged with the responsibility of submitting a report to the Court on the "clear market value" of all property included in transfers subject to the California Inheritance Tax, the amount of tax, if any, due and payable on each such transfer and "such other facts . . . as [would] assist the Court in the determination of the tax."

3. Pursuant to this statutory responsibility, I have prepared an inheritance tax report for the estate of Howard R. Hughes, Jr., a true and correct copy of which is attached hereto as Exhibit A. This report, however, has not been filed with the Superior Court as would otherwise be required by California law, because it is possible that my activities may directly or indirectly come within the terms of the temporary restraining order issued by the Court on July 20, 1978.

4. The inheritance tax report which I have prepared shows a "clear market value" of property in the Hughes estate subject to California inheritance tax of $1,039,712,436. In accordance with Calif. Rev. & Tax Code §§ 13311 & 13312, this figure represents the market value of all taxable property in the Hughes estate as of Mr. Hughes' death, less the deductions permitted by the California Revenue and Taxation Code. This valuation of the Hughes estate is based upon my finding that Howard Hughes was a domiciliary of the State of California and the County of Los Angeles at the time of his death.

5. Under California law, 'any person interested, including the controller, may file a written objection to the

[inheritance tax referee's] report." Calif. Rev. & Tax Code § 14510. The filing of my report, therefore, in no way prevents the California Controller from claiming a higher valuation for the Hughes estate than is set forth in my report.

Dated: August 21, 1978.

/s/

John A. Woodward, III

Subscribed to and sworn before me this 21 day of August, 1978.

/s/ Myra A. Moore

Notary Public

Name, address and telephone number of Attorneys(s)	
Davis & Cox 1900 Avenue of the Stars, Ste. 1450 Los Angeles, Ca 90067 553-3744	Name and address of representative/petitioner
Gibson, Dunn & Crutcher 515 So. Flower St. Los Angeles, Ca 90071 488-7000	Richard C. Gano, Jr. %Gibson, Dunn & Crutcher 515 So. Flower St. Los Angeles, Ca 90071

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF

	Case Number P 621 359
	REPORT OF INHERITANCE TAX REFEREE
HOWARD ROBARD HUGHES, JR. Deceased.	Amount of Tax $249,497,419
Date of Death: April 5, 1976	Additional Tax, Revenue and Taxation Code Sections 13441-2 $_____
	Total Tax Due State $249,497,419

The undersigned Inheritance Tax Referee reports to the Court as follows:

The above-named decedent died intestate on the date stated above, a resident of the County of

By reason of such death the property hereinafter referred to is subject to taxation under the Inheritance Tax Law in the above-entitled proceeding.

That at the date of death of said decendent the fair market value of said property was the sum of:

Described in inventory and appraisement file herein:	$ 143,478
Not in inventory, described as follows:	
Per supplemental schedule of uninventoried asset	$1,106,201,939
Total:	$1,106,345,516

DEDUCTIONS should be made therefrom as follows:

Expenses of funeral and of last illness	$18,413
Debts of deceased	7,337,039
Taxes due at decendent's death	
Executor's or administrator's commissions	11,067,335
Fees of attorney for same	11,067,335
Expenses of administration	7,500
Other deductions: encumbrances	37,135,458
Total deductions	¢66,633,080
The CLEAR MARKET VALUE of said property is therefore	$1,039,712,436

That said property passed to the following named persons, whose relationship to decedent, the character and clear market value of whose respective interests at the time of death of decedent and the inheritance or transfer tax due thereon are as hereinafter shown:

Name	Relationship to deceased	Exemptions and rates		Tax
Character and value of interest William Kent Gano, cousin 1/12 interest in disclaimed asset		6652	$300 exempt Tax on balance	$635
Richard Gano Wallace, cousin - same		6652	same	635
Doris Gano Wallace, cousin - same		6651	same	635
Annette Gano Gragg, cousin - same		6651	same	635
Howard Hughes Gano, cousin - same		6651	same	635
Allene Lummis Russell, cousin - same		6651	same	635
Annette Gano Lummis Neff, cousin - same		6651	same	635
William Rice Lummis, cousin - same		6651	same	635
Frederick Rice Lummis, Jr., cousin - same		6651	same	635
Janet Houstoun Davis, cousin - same		6651	same	635

Sara Houstoun Lindsey, cousin - same	6651	same	635
James Patrick Houstoun, Jr., cousin - same	6652	same	635
Annette Gano Lummis, aunt - residue of estate	1,039,632,622	same	249,497,419
	1,039,712,436		$249,497,419

Dated [illegible]

/s/ John A. Woodward, III
Inheritance Tax Referee

ASSET	APPRAISED VALUE
1. (a) 75,000 shares of $100 par value common stock of Summa Corporation ("Summa"), a Delaware Corporation, evidencing 100% of all of the outstanding stock of said corporation, and (b) 755 shares of $100 par value common stock of Hughes Television Network, Inc., ("HTN"), a Nevada corporation, evidencing 100% of all of the outstanding stock of said corporation.	$1,043,000,000
2. 1,960 shares of $100 par value common stock of Hughes Air Corp., a Delaware corporation, evidencing 22% of all of the outstanding stock of said corporation.	3,847,590

3. 1,060,179 shares of $1.00 par value common stock of Atlas Corporation, a Delaware corporation (presently 212,035.8 shares reflecting a 1 for 5 reverse stock split subsequent to April 5, 1976), evidencing approximately 7.0178% of the outstanding stock of said corporation.	5,102,111
4. 100 shares of $10 par value common stock of Film Investments, Inc., a Nevada corporation, evidencing 100% of all of the outstanding stock of said corporation.	378
5. 175 shares of $100 par value common stock of Desert Inn Improvement Company, a Nevada corporation, evidencing 100% of all of the outstanding stock of said corporation.	1
6. 1,000 shares of $1.00 par value common stock of H-Tex, Incorporated, a Texas corporation, evidencing 100% of all of the outstanding stock of said corporation.	1
7. Note receivable from Summa. P. O. Box 14,000 Las Vegas, Nevada 59156, dated December 31, 1968, due December 31, 1976; interest from December 31, 1975, at the prime rate being charged by Bank of America National Trust and Savings Association as may be determined from time to time.	15,000,000
Accrued interest through April 5, 1976.	269,291
8. Note receivable from Summa dated December 30, 1971, due on December 30, 1976; interest from December 30, 1975, at a rate equal to the minimum lending rate being charged by Bank of America National	

Trust and Savings Association for like loans on the first business day of each quarter.		14,000,000
Accrued interest through April 5, 1976		266,000
9. Note receivable from Summa dated December 31, 1970, due December 31, 1976; interest from December 31, 1975, at the prime rate being charged by Bank of American National Trust and Savings Association as may be determined from time to time.		6,500,000
Interest		116,668
10. Note receivable from Summa dated December 31,1975, due December 31, 1980; interest from December 31, 1975, at a rate equal to the minimum lending rate being charged by Bank of America National Trust and Savings Association for like loans on the first business day of each calendar quarter.		13,000,000
Accrued interest through April 5, 1976.		246,990
11. Note receivable from Rosemont Enterprises, Inc., One State Street, Plaza, New York, New York, 10004, dated September 6, 1976, due September 6, 1975; interest from September 6, 1974, at the prime rate being charged by Texas Commerce Bank as may be determined from time to time.		
Principal	500,000	
Accrued interest through April 5, 1976	76,865	
	567,865	225,000

12. Note receivable from Arthur M. Mortensen, c/o Hughes Television Network, 1133 Avenue of the Americas, New York, New York 10036, dated June 1, 1974, due June 1, 1982; interest from June 1, 1974, at six percent (6%) per annum, payable annually and interest on past due interest at eight percent (8%) per annum.	50,000
Accrued interest through April 5, 1976.	5,743
13. Cash on hand.	35
14. Checking account No. 100-9604 at Texas Commerce Bank, Houston, Texas, styled Howard R. Hughes.	609,522
Checking account No. 127-4018 at Texas Commerce Bank, Houston, Texas, styled L-M Company.	61,546
15. Account receivable, without interest (on an accrual basis), as of April 5, 1976, from Summa, P.O. Box 14000, Las Vegas, Nevada 89156, said account being an advance to Summa to reimburse it for payment for personal expenses, including aircraft expenses (said account having arisen on December 31, 1975, when decedent directed that certain of his personal funds be advanced to Summa for the reasons set forth above).	100,982
16. Account receivable from the United States for refund of overpayment of 1975 federal income taxes.	431,173
17. Account receivable without interest due on demand from Clifford J. Weismann, 7345 El Parque, Las Vegas Nevada 89117.	4,000

18. Account receivable without interest due on demand from H-Tex, Inc. 919 Americana Building, Houston, Texas 77002. 582,024

19. Claim against Gordon J. Margulis, 4000 San Joaquin, Las Vegas, Nevada 89102, said claim relating to advances (without interest) of moneys at various times to Gordon J. Margulis under oral contract with decedent payable on demand as follows:
(i) $11,000,00 advanced on 2/2/71;
(ii) $400.00 advanced on 3/3/71;
(iii) $500.00 advanced on 3/31/71; and,
(iv) $300.00 advanced on 3/22/72. -0-

20. Claim of $342.33 against the State of California, Sacramento, California, for refund without interest of payroll taxes paid by Howard Robard Hughes, Jr., during 1975 due on December 31, 1975. 347

21. Gaming operations conducted in the name of Silver Slipper, Las Vegas, Nevada, a sole proprietorship. 1

22. Oil and gas sole proprietorship operations conducted in the name of H-Tex, Incorporated, excluding mineral leases located in Louisiana (more fully described in item 6, Schedule A, herein) and the account payable to the Estate as set forth at item 4 above, per attached Balance Sheet. 117,542

23. Oil and gas sole proprietorship exploration activities conducted in the name of Cheyenne Corporation, per attached Balance Sheet. 1,311

24. Distribution of motion picture films listed further herein conducted in the name of Howard R. Hughes Productions, a sole proprietorship.	3,710
25. Motion Picture Films and Related Rights.	
A. Story and motion picture rights to "Jet Pilot".	100,000
B. Story and motion picture rights to "The Outlaw".	23,000
C. Story and motion picture rights to "The Conqueror".	100,000
26. The following aircraft were held by Dakota & South Bend Securities Company, Ltd., as nominee for Summa which was acting as nominee for decedent:	
A. Hawker Siddeley 748-26 Reg. No. G-AYYG	800,000
B. Hawker Siddeley HH-125-400 Reg. No. G-BAZB	680,000
C. Hawker Siddeley 125 Reg. No. G-AZAP	780,000
27. Conditional Sales Contracts Relating to Aircraft:	
Rockwell Commander 685 Reg. No. 39136M	-0-

Rockwell Turbo Commander 690 Reg. No. N9150M	94,410
Rockwell Turbo Commander 690A	-0-
Grumman Gl Reg. No. N712MP	-0-
Grumman Gl Reg. No. N1902D	93,433
Convair 240 Reg. No. N122T	-0-
Convair 240 Reg. No. N240DW	-0-
Convair 240 Reg. No. N1899K	-0-
28. Jewelry, not previously inventoried	5,655
29. Contract with Rosemont Corporation.	1
30. Miscellaneous trophies, pictures, photographs, mementoes and other personal property and personal effects previously appraised.	8,120
31. Three Bank of America cashier's checks dated 12/2/52 in the amount of $1,002.60, each payable to M. Gerber.	3,008
32. Sixty-four $5.00 gaming tokens.	320
TOTAL VALUE	1,106,201,938

APPENDIX "B"

APPENDIX "B"

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

CALIFORNIA AVOCADO COMMISSION, et al., *Plaintiffs,*	§	
V.	§	CIVIL ACTION NO. CA-3-81-0295-G
REAGAN V. BROWN, COMMISSIONER OF THE TEXAS DEPARTMENT OF AGRICULTURE, *Defendant.*	§	

ORDER

This order is to confirm the dismissal of this case on March 6, 1981, done in open court, the parties then having agreed to a settlement, including the lifting on March 6, 1981, of the Texas Mediterranean Fruit Fly Quarantine (Rule 176.22,20.001); accordingly, this case is DISMISSED, with each party to bear its costs.

/s/

Patrick E. Higginbotham
United States District
Judge